Saskatchewan
Ministry of
Agriculture

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending May 3, 2013

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last week
300-400	137-151	142.00	-4.17
400-500	138-159	145.50	-1.13
500-600	135-158	145.71	-1.09
600-700	131-150	138.81	+0.74
700-800	124-137	130.75	+1.35
800-900	116-126	121.29	-0.59
900+	110-116	112.60	-0.21

Heifers

	Range	Average	Change from last week
300-400	116-143	124.13	-1.75
400-500	124-138	130.29	+0.79
500-600	120-135	127.39	+0.70
600-700	115-132	123.67	+1.25
700-800	110-125	117.75	+2.25
800+	105-119	110.50	+0.25

Source: Canfax.
Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

Canfax reported that 15,303 head of cattle were sold in Saskatchewan this week, up from 11,148 head marketed during the previous week.

Feeder cattle prices were mixed. Average prices for feeder steers weighing less than 600 lb. were lower compared to the previous week as high feed grain and forage prices result in high cost of gain ahead of turnout on pastures. The warmer weather should help get grass growing after the extended winter feeding period and this may provide some support to lightweight feeder cattle prices in the weeks ahead.

Prices for heavier feeder steers weighing more than 800 lb. were marginally lower compared to the previous week and may be a result of the gain in the value of the Canadian dollar over the past two weeks and higher feed barley prices in southern Alberta.

The Saskatchewan 750 lb. feeder steer basis compared to the May 2, 2013 U.S. feeder cattle index at US$136.73 per cwt was calculated at -$5.98 per cwt (US$135.67/0.9923 - $130.75), a basis improvement of $1.24 per cwt from -$7.22 per cwt the previous week.

Fed and Non-fed Cattle

	May 2	April 26	Change
Steers			
Live	n/a	n/a	n/a
Rail	197.00	n/a	n/a
Heifers			
Live	n/a	n/a	n/a
Rail	n/a	196.00	n/a
Cows (Alberta)			
D1,2 Live	77.44	78.00	-0.56
D3 Live	69.00	69.93	-0.93
Rail	149.00-154.00	150.00-155.00	-1.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were marginally lower from the previous week with D1,2 slaughter cows decreasing $0.56 per cwt to average $77.44 per cwt, while D3 slaughter cows decreased $0.93 per cwt to average $69.00 per cwt. The number of slaughter cows in Western Canada is elevated compared to one year ago. It is likely that producers rationalized the size of their herds as feed supplies tightened throughout the winter. It will be interesting to monitor weekly non-fed cattle supplies as supplies typically decline once pasture growth is adequate to support grazing and producers make their final decision on the size of their breeding herds for 2013.

Fed cattle prices in Western Canada were higher with the price of fed steers in Alberta reported at $119.63 per cwt, up $1.34 per cwt from $118.29 per cwt the previous week. This average price is nearing an all-time record high, however, it will take more than one or two weeks of record-high fed cattle prices to rebound from the extended period of feeding losses incurred to this point in time. This is the second consecutive week of upward price movement and is a positive albeit overdue development. The improved demand for fed cattle indicates that beef is moving through the supply chain ahead of the summer grilling season.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$129.02 per cwt, up US$0.92 from US$128.10 per cwt the previous week. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$206.56 per cwt, an increase of US$3.05 per cwt from US$203.51 per cwt the previous week.

The weekly average Choice beef cutout value for the week ending May 3 was reported at averaged US$198.59 per cwt., up 3.6 per cent from US$191.63 per cwt. the previous week. The weekly average Choice cutout value is approaching the psychologically important US$200 per cwt threshold. In fact, the Choice cutout was reported at US$200.59 per cwt on Thursday, May 2 which was only six cents per cwt lower than the all-time daily price high of US$200.65 set on October 20, 2003.

Weekly corn cash and futures prices moved higher over the week as unseasonably cold and wet weather are delaying the planting of the 2013 corn crop.

Feeder cattle futures prices moved lower with the nearby May contract slipping US$3.025 per cwt, week-over-week. The deferred October feeder contract decreased US$3.40 per cwt week-over-week. Live cattle futures prices were marginally lower over the week as reports of higher U.S. per capita supplies of competing meats (poultry and pork) may limit upward price potential for beef at retail.

Friday Price Information

Product		This Week (May 3)	Week of: (April 26)
Canadian Dollar (closing rate US$)		.9923	.9834
United States Dollar Index		82.105	82.469
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		135.67	134.35
Seven-day Weighted Average FC Index Wt. (lb.)		772	774
Live Fed 5-area Steer Price (US$ per cwt)		129.02	128.10
Feed Grains			
Barley	Lethbridge ($/tonne)	292.00	289.00
	($ per bu.)	6.36	6.29
Corn	Iowa State Average (CDN$/tonne)*	277.71	262.61
	(US$ per bu.)	7.00	6.56
	Omaha, NE (CDN$/tonne)*	284.46	271.02
	(US$ per bu.)	7.17	6.77
Futures			
	May Corn (US$ per bu.)	6.99½	6.44
	July Corn (US$ per bu.)	6.61¼	6.19¾
	June Live Cattle (US$ per cwt)	121.825	122.600
	August Live Cattle (US$ per cwt)	121.975	123.275
	May Feeder Cattle (US$ per cwt)	138.775	141.800
	October Feeder Cattle (US$ per cwt)	151.250	154.650

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate

For more information contact:
Grant Zalinko PAg
Provincial Cattle Analyst
306-787-6607
grant.zalinko@gov.sk.ca